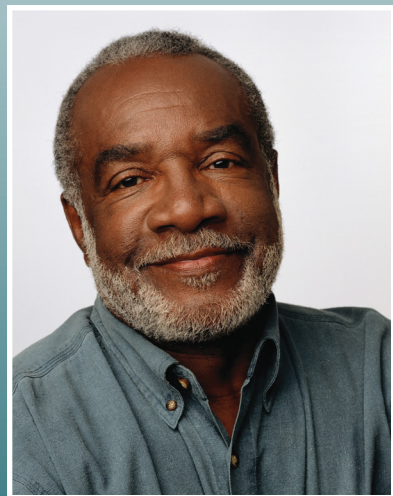


Retirement Planning Workbook



Washington State
Department of Retirement Systems
July 2014



Retirement Planning Seminar

Presented by the Washington State Department of Retirement Systems



How to contact the Department of Retirement Systems

Call us:

Olympia..... 360.664.7000
Toll free..... 800.547.6657
TTY..... 711
DCP 888.327.5596
DCP TTY 711

Write to us:

Department of Retirement Systems
PO Box 48380
Olympia, WA 98504-8380

Email us:

recep@drs.wa.gov

It may be possible for other people to read messages sent over the Internet. If you contact us by email, please include only the last four digits of your Social Security number.

Visit us:

6835 Capitol Blvd.
Tumwater, WA 98501

Directions are available on our website.

Website:

DRS: *www.drs.wa.gov*

DCP: *www.drs.wa.gov/dcp*

Hours:

Monday - Friday, 8 a.m. to 5 p.m. PST

Privacy of your information

We are committed to protecting the privacy of your personal account information, including your Social Security number, which we use to track your account and submit required reports to the IRS. We will not disclose your information to anyone unless we are required to do so by law.

If you have insurance coverage through the Washington State Public Employees Benefits Board (PEBB), we may share your information with PEBB to better serve you.

Retirement Planning Workbook

Introduction

- 5 Overview
- 5 About us

Social Security

- 7 Preparing for retirement
- 8 Retirement benefits by year of birth
- 10 Delayed retirement credits
- 10 You can work and still receive benefits
- 12 How do I apply for Social Security benefits?

Retirement Health Care Options

- 13 Health Care Options
- 14 Statewide Health Insurance Benefits Advisors (SHIBA) HelpLine
- 15 Health Care Authority (HCA) and Public Employee Benefits Board (PEBB)
- 16 Medicare
- 18 Consolidated Omnibus Budget Reconciliation Act (COBRA)
- 19 Association of Washington Cities (AWC)
- 20 Washington Counties Insurance Fund (WCIF)

Deferred Compensation Program

- 21 DCP: Discover the smart, easy way to save
- 22 It's not too late to enroll in DCP
- 23 Two investment approaches
- 24 How do I enroll?

Retirement Resources

- 30 Glossary
- 34 Retirement planning checklist
- 36 Retirement-related contacts
- 39 Knowing your number
- 39 Where does your money go? worksheet
- 40 Living within your budget worksheet
- 41 Estimating your retirement income worksheet
- 42 Estate and financial planning to-do list
- 43 Organize your information worksheet
- 44 10 questions to ask when choosing a financial planner
- 46 Estate – A letter to my survivors and heirs
- 47 Personal affairs record

Introduction

Congratulations on planning for your retirement!

In this seminar, we'll provide information that applies to most employees. The purpose of the seminar is to give you a basic understanding of your benefits, so that you are able to make informed decisions about the options available to you.

We designed this workbook to help with the important decisions you're about to make. Inside you'll find information on the following topics that will assist you in the planning process:

- Social Security
- Deferred Compensation Program (DCP)
- Retirement Health Care Options
- Resources (includes worksheets you can use at your convenience)

During the seminar, you are given handouts specific to your retirement plan, Social Security, and VEBA. Our goal is to give you information that will help as you make your retirement planning decisions. Statements made in the workbook and during the seminar are not intended as recommendations. Each individual member's case is unique.

This workbook should serve as a resource during the seminar and as a reference later on.

About us

The Department of Retirement Systems (DRS) administers Washington's 15 different pension plans, serving current, past and retired public employees, as well as the Deferred Compensation Program (DCP).

DRS collects and accounts for employer and employee contributions; maintains retirement records; pays benefits; communicates pension information and provides investment education.

While you most often hear from DRS, other organizations have important roles when it comes to Washington's pension systems.

- **The Legislature** enacts retirement plan policy, which includes changing benefits and funding the plans, and establishes the contribution rates.
- **The Select Committee on Pension Policy** studies pension issues and retirement finances and develops pension policies and recommends pension legislation.
- **The Office of the State Actuary** acts as an advisory agency to the Legislature and to the director of DRS. The Actuary's office performs actuarial studies and reports on retirement bills and creates formulas used to compute benefit payment adjustments that are based on early retirement, cost-of-living or long-term survivor benefits.
- **The Pension Funding Council** adopts economic assumptions for pension funding and member and employer pension contribution rates for LEOFF Plan 1, PERS, PSERS, SERS, TRS and WSPRS.
- **The Washington State Investment Board** invests, accounts for and closely monitors the performance of all DCP and Plan 3 investment options and funds.
- **The DRS Advisory Committee** serves in an advisory role to the director of DRS on retirement administrative issues.
- **The Employer Advisory Committee** makes recommendations and provides feedback on retirement issues.
- **The LEOFF Plan 2 Retirement Board** is a policy-making board that studies pension issues, acts as fiduciary of LEOFF Plan 2, sets contribution rates and recommends pension policy to the Legislature for LEOFF Plan 2 members.

Social Security

Preparing for retirement

The three major elements of your retirement portfolio are benefits from pensions, savings and investments, and Social Security benefits.

To help you plan for retirement, the Social Security Administration website includes an online retirement planner and benefit calculators that will help you estimate your benefit. To access these calculators, visit www.socialsecurity.gov/estimator.

Once you've reviewed your estimate, you may want to explore a variety of retirement scenarios using a range of assumptions about your future earnings or when you stop working.

NOTES

When should I retire?¹

Generally, you should apply for retirement benefits three months before you want them to begin.

- If you were born from 1943 to 1960, the age at which full retirement benefits are payable increases gradually to age 67. If you were born in 1947 or earlier, you already are eligible for your full Social Security benefit.
- You may start receiving benefits as early as age 62. However, if you start your benefits early, your benefits are reduced.

To find out what your full retirement age is, use the Retirement Age Chart on the right.

Even if you don't plan to receive benefits right away, or decide to wait until you reach full retirement age, you should still sign up for Medicare three months before your 65th birthday.

Choosing the month you start to get benefits is an important decision. If you are not quite ready to retire, but are thinking about doing so in the near future, Social Security's Retirement Planner at <http://www.socialsecurity.gov/retire2/> will help you prepare. If you plan to continue working after you reach age 62, it may be to your advantage to start your retirement benefits before you stop working.

Retirement Age Chart	
Year of birth	Full retirement age
1943-1954	66
1955	66 and 2 months
1956	66 and 4 months
1957	66 and 6 months
1958	66 and 8 months
1959	66 and 10 months
1960 and later	67
NOTE: If you were born on January 1, you should refer to the previous year.	

Retirement benefits by year of birth²

No matter what your full retirement age (also called normal retirement age) is, you may start receiving benefits as early as age 62, or delay filing up to age 70 to increase your benefit amount.

¹ www.socialsecurity.gov/retirement
² www.socialsecurity.gov/retire2/agereduction.htm

NOTES

If you retire early

You can retire at any time between age 62 and full retirement age. However, if you start benefits early, your benefits are reduced a fraction of a percent for each month before your full retirement age.

The chart below lists age 62 reduction amounts and includes examples based on an estimated monthly benefit of \$1,000 at full retirement age.

Full retirement and age 62 benefit by year of birth

Year of birth ¹	Full (normal) retirement age	Months between age 62 and full retirement age	At age 62 ²			
			A \$1,000 retirement benefit would be reduced to	The retirement benefit is reduced by ³	A \$500 spouse's benefit would be reduced to	The spouse's benefit is reduced by ⁴
1937 or earlier	65	36	\$800	20.00%	\$375	25.00%
1938	65 and 2 months	38	\$791	20.83%	\$370	25.83%
1939	65 and 4 months	40	\$783	21.67%	\$366	26.67%
1940	65 and 6 months	42	\$775	22.50%	\$362	27.50%
1941	65 and 8 months	44	\$766	23.33%	\$358	28.33%
1942	65 and 10 months	46	\$758	24.17%	\$354	29.17%
1943-1954	66	48	\$750	25.00%	\$350	30.00%
1955	66 and 2 months	50	\$741	25.83%	\$345	30.83%
1956	66 and 4 months	52	\$733	26.67%	\$341	31.67%
1957	66 and 6 months	54	\$725	27.50%	\$337	32.50%
1958	66 and 8 months	56	\$716	28.33%	\$333	33.33%
1959	66 and 10 months	58	\$708	29.17%	\$329	34.17%
1960 and later	67	60	\$700	30.00%	\$325	35.00%

1 If you were born on January 1, you should refer to the previous year.

2 If you were born on the first of the month, the benefit is figured as if your birthday was in the previous month. You must be at least 62 for the entire month to receive benefits.

3 Percentages are approximate due to rounding.

4 The maximum benefit for the spouse is 50 percent of the benefit the worker would receive at full retirement age. The percentage reduction for the spouse should be applied after the automatic 50-percent reduction. Percentages are approximate due to rounding.

Pros and cons

As a general rule, early or late retirement will give you about the same total Social Security benefits over your lifetime. However, if you retire early, the monthly benefit amounts will be smaller to take into account the longer period you will receive them. If you retire late, you will get benefits for a shorter period of time but the monthly amounts will be larger to make up for the months when you did not receive anything.

Delayed retirement credits

There are advantages and disadvantages to taking your benefit before your full retirement age. The advantage is that you collect benefits for a longer period of time. The disadvantage is that your benefit is permanently reduced. Each person's situation is different, so:

- Remember that, if you delay your benefits until after full retirement age, you may be eligible for delayed retirement credits that would increase your monthly benefit;

Increase for delayed retirement¹

Year of Birth	Yearly Rate of Increase	Monthly Rate of Increase
1937-1938	6.5%	13/24 of 1%
1939-1940	7.0%	7/12 of 1%
1941-1942	7.5%	5/8 of 1%
1943 or later	8.0%	2/3 of 1%

Note: If you were born on January 1, you should refer to the rate of increase for the previous year.

- Keep in mind that there are other things to consider when making the correct decision about your retirement benefits; and
- Contact Social Security before you decide when to retire.

You can work and still receive benefits²

You can work while you receive Social Security retirement (or survivors) benefits. When you do, it could mean a higher benefit for you in the future. Higher benefits can be important to you later in life and increase the future benefit amounts your family and your survivors could receive.

While you are working, your earnings will reduce your benefit amount only until you reach your full retirement age. After you reach full retirement age Social Security will recalculate your benefit amount to leave out the months when they reduced or withheld benefits due to your excess earnings. A formula is used to determine how much your benefit must be reduced:

- **If you are under full retirement age for the entire year**, Social Security deducts \$1 from your benefit payments for every \$2 you earn above the annual limit. For 2014, that limit is \$15,480.
- **In the year you reach full retirement age**, Social Security deducts \$1 in benefits for every \$3 you earn above a different limit, but only counts earnings before the month you reach your full retirement age. If you will reach full retirement age in 2014, the limit on your earnings for the months before full retirement age is \$41,400.
- **Starting with the month you reach full retirement age**, you can get your benefits with no limit on your earnings.

¹ www.socialsecurity.gov/retire2/delayret.htm

² www.socialsecurity.gov/retire2/whileworking.htm

NOTES

If you apply for benefits more than six months after you reach full retirement age, Social Security can only pay the benefits for the previous six months.

Some people who retire in mid-year have already earned more than their yearly earnings limit. That is why Social Security has a special rule that applies to earnings for one year, usually the first year of retirement.

The special rule lets SSA pay a full Social Security check for any whole month SSA considers you retired, regardless of your yearly earnings.

If you will be under full retirement age for all of 2014, you are considered retired in any month that your earnings are \$1,290 or less and you did not perform substantial services in self employment.

If you will reach full retirement age in 2014, you are considered retired in any month that your earnings are \$3,450 or less and you did not perform substantial services in self employment.

Do I have to pay income taxes on the benefits I receive?

You will have to pay Federal taxes on your Social Security benefits if you file a Federal tax return as an individual and your total income is more than \$25,000. If you file a joint return, you will have to pay taxes if you and your spouse have a total income of more than \$32,000.

Use the Internal Revenue Service (IRS) Notice 703 shown on the back of the Social Security Benefit Statement, SSA Form 1099, to determine if any of your benefits may be taxable.

Social Security has no authority to withhold state or local taxes from your benefit. Many states and local authorities do not tax Social Security benefits. However, you should contact your state or local taxing authority for more information.

How divorce affects your future retirement benefits

If you are divorced after at least 10 years of marriage, you can collect retirement benefits on your former spouse's Social Security record if you are at least age 62 and if your former spouse is entitled to or receiving benefits. If you remarry, you generally cannot collect benefits on your former spouse's record unless your later marriage ends (whether by death, divorce, or annulment). For more information, see *If You Are Divorced* on the Social Security website.

How do I apply for Social Security benefits?

You can apply for retirement benefits online at www.socialsecurity.gov. You can also call 800-772-1213 to make an appointment for your application to be taken over the telephone or in person at your local Social Security office. If you're deaf or hard of hearing, call 800-325-0778, between 7 a.m. and 7 p.m., Monday through Friday.

When you apply for benefits, you will need the following:

- ☐ Your Social Security number;
- ☐ A certified copy of your birth certificate;
- ☐ Your W-2 form for last year and the amount of your earnings for this year;
- ☐ Your military discharge papers (Form DD214) if you have been in the military;
- ☐ Marriage certificate (and divorce decree if applicable) for those applying for a spouse's or divorced spouse's benefit;
- ☐ Your spouse's birth certificate and Social Security number, if he or she is applying for benefits;
- ☐ Your children's birth certificates and Social Security numbers, if they are applying for children's benefits;
- ☐ Proof of U.S. citizenship or lawful alien status if you (or a spouse applying for benefits) were not born in the U.S.; and
- ☐ The name of your bank, your account number and the bank's Routing Transit Number so your benefits can be directly deposited into your account

Contact the Social Security Administration if you need assistance in obtaining these documents. The documents need to be originals or copies certified by the issuing office. You can mail or bring them to a Social Security office. They will be photocopied and returned to you.

If you have additional questions, the best place to start is with Social Security Frequently Asked Questions at <https://faq.ssa.gov/>. Find answers and general information quickly about Social Security's programs and procedures.

Social Security Administration Office Hours

Most offices are open to the public on Monday, Tuesday, Thursday & Friday from 9:00 a.m. to 3:00 p.m. and on Wednesday from 9:00 a.m. to 12:00 p.m. Offices are closed on all federal holidays. To locate an office near you and review their hours of operation, visit www.socialsecurity.gov/locator.

Retirement Health Care Options

Health care is a primary concern as we prepare for the transition into retirement. The purpose of this section is to introduce you to possible retiree health insurance choices.

- **As a public employee in Washington State, your retiree health insurance choice is directly related to your employer.** The health insurance contract you have as an active employee normally does not carry into retirement. You may or may not have a health insurance option available from your employer in retirement.
- **Retiree health insurance may only be available to you if you actually retire (receive a defined benefit payment from Department of Retirement Systems).**
- **You are responsible for knowing what health insurance options will be available to you at retirement.**
- **Decisions about retiree health insurance coverage are very personal.** If you have multiple health insurance options available at retirement, you must make decisions about which coverage you will access and when.
- **You should explore your retiree health insurance choices early, at least 12-36 months before your anticipated retirement date.**
- **Your employer is the best resource to ask about the health insurance choices available to you and your family at retirement.**

Health Care Options/Resources

Statewide Health Insurance Benefits Advisors (SHIBA) HelpLine	14
Health Care Authority (HCA) and Public Employee Benefits Board (PEBB).....	15
Medicare.....	16
Consolidated Omnibus Budget Reconciliation Act (COBRA)	18
Association of Washington Cities (AWC)	19
Washington Counties Insurance Fund (WCIF).....	20

Additional Notes about this health care section:

1. Certain health care options, such as Tri-Care or private insurance, are not included in this section. Please contact the appropriate agency for information on topics not covered.
2. Some of the information in this section may have changed since this printing. Always check with the plan provider to ensure you have the most current information.

Statewide Health Insurance Benefits Advisors (SHIBA)

SHIBA is a free, unbiased service offered by the Washington State Office of the Insurance Commissioner that provides health insurance education, assistance and advocacy to Washington state residents.

SHIBA assists consumers with choices and problems involving private health insurance, along with many government programs, such as: Medicare, Medicare Savings Programs, Medicare's Part D Extra Help program, Medicaid and the Washington Health Program.

SHIBA volunteer advisors can educate you about your options, including Medigap (Medicare Supplement) coverage, Medicare Advantage plan coverage, employment-related health benefits, and fraud and abuse questions.

To get help, call SHIBA at 1-800-562-6900 and ask for a SHIBA advisor in your local area.

The Insurance Commissioner offers many resources about health insurance and health care coverage options on its website at www.insurance.wa.gov.

If you are under age 65 and not on Medicare or enrolled in the retiree PEBB Program, the following resources on www.insurance.wa.gov may be of interest to you:

- Compare rates for individual health plans.
- Get information about buying an individual health plan.
- Find out how Health Savings Accounts work.

If you are age 65 or older, the following resources on www.insurance.wa.gov may be of interest to you:

- Medicare.
- Get help paying for prescriptions.

Affordable Care Act

The Office of the Insurance Commissioner's web site is also an excellent source of information about health care reform. Under the Affordable Care Act, every state must have a health insurance marketplace. Washington State's health insurance marketplace is known as Washington Healthplanfinder, www.wahealthplanfinder.org. The new health insurance marketplace is intended to help individuals who are uninsured, underinsured, or who do not have access to employer (or affordable) coverage. If you are eligible for Medicare, you will not use Washington Healthplanfinder.

Additional contact information

Office of the Insurance Commissioner

800.562.6900

TTY 360.586.0241

www.insurance.wa.gov/shiba

Washington State Health Care Authority (HCA) and Public Employees Benefits Board (PEBB)

The Public Employees Benefits Board (PEBB) Program, administered by the Health Care Authority (HCA) purchases and coordinates health insurance benefits for eligible public employees and retirees. These comprehensive programs for retired public employees include: medical/vision, dental, retiree term life, and voluntary group auto/homeowner insurance.

Who is eligible for PEBB retiree insurance coverage?

- Any person retiring from a Washington state agency (including boards, commissions, etc.), a Washington public education employer, or a PEBB participating political subdivision (city, port, utility district, etc).

What do I need to do to enroll or defer coverage?

- You must enroll or defer PEBB retiree health coverage within 60 days from the date your active employer or continuous Consolidated Omnibus Budget Reconciliation Act (COBRA) coverage ends.
- To do this, review the Retiree Enrollment Guide available on the PEBB website at www.hca.wa.gov/pebb/Documents/51-205-2014.pdf, then complete the PEBB-Sponsored Retiree Coverage Election Form (included in the guide). Send it to the Washington State Health Care Authority no more than 60 days after your active employer or continuous COBRA coverage ends. If you don't, you will lose your right to enroll again later.
- If you and/or your covered dependents are eligible for Medicare Part A and Part B, you must enroll in and maintain both Part A and Part B to qualify for PEBB retiree health coverage. You must send a copy of your and/or your covered dependent's Medicare card to PEBB as proof of enrollment. If eligible, you should apply for Medicare 3 months prior to your employee coverage ending.

How long am I insured under the PEBB?

- Insurance coverage is for the life of the retiree as long as premiums are paid.
- A surviving spouse or registered domestic partner can maintain coverage as long as premiums are paid.
- Other eligible dependents continue coverage until they lose eligibility as long as premiums are paid.

How do I pay my health plan premiums?

You can pay for your retiree medical and dental coverage through:

- Deductions from your state retirement defined benefit payment.
- Automatic bank account withdrawals.
- Direct payment by personal check or money order to the Health Care Authority.
- If you are a VEBA member, you will pay the provider directly and then apply for reimbursement from your Voluntary Employees' Beneficiary Association (VEBA) account.

Who can answer my questions?

- If you have payment questions, call the HCA Accounting Department at 800-200-1004.
- For information about a plan's providers, benefits or formulary (a list of approved drugs that the plan will cover), call your health plan directly.
- If you have questions about eligibility and enrollment or deferring your retiree coverage, call the PEBB Program at 800-200-1004 and follow the prompts. This information is also available on the PEBB website at www.hca.wa.gov/pebb.

Medicare

Medicare is federal health insurance for people:

- Age 65 and older
- Under age 65 on Social Security Disability Income (SSDI) or diagnosed with certain diseases, including End-Stage Renal Disease (ESRD) and Lou Gehrig's Disease (Amyotrophic Lateral Sclerosis or ALS)

Medicare is a complicated topic and everyone's situation is different. The following information presents a broad overview. For free, unbiased help with your Medicare choices, contact the Insurance Commissioner's Statewide Health Insurance Benefits Advisors (SHIBA) program in your local area. Call our Insurance Consumer Hotline at 1-800-562-6900 and ask for a SHIBA counselor in your area.

The different parts of Medicare help cover specific services

Medicare Part A (hospital insurance)

Part A helps pay inpatient care in qualifying, participating hospitals. It also helps pay for hospice care and some home health care. Most people don't have to pay a premium for the benefit because they paid Medicare taxes while working.

Medicare Part B (doctor and outpatient insurance)

Part B helps pay your doctor's services and outpatient care. It also covers some services that Medicare Part A does not cover, such as physical therapy, durable medical equipment, laboratory tests, ambulance and emergency room care.

Medicare Part D (prescription drug coverage)

The Medicare Prescription Drug Plan (Part D) helps cover the cost of your prescription drugs. You must enroll in Medicare Part A and/or Medicare Part B to be eligible to enroll in Part D. You must choose a Medicare-approved private insurance plan to get this coverage.

Many different drug plans are available under this program. Each plan is required to offer coverage for certain basic medications. Plans that offer Part D coverage require monthly premiums and most require deductibles and coinsurance. The list of covered prescription drugs (also called a formulary) varies from plan to plan.

Supplementing Medicare

Medicare Supplement plans

Medicare Supplement plans (also called Medigaps) are private health insurance policies that provide you with a way to pay for the gaps in coverage left by Medicare. You must enroll in Medicare Parts A and B to buy a Medicare supplement plan. You may also choose to enroll in a separate Medicare Part D drug plan.

A Medigap policy only covers one person. If you and your spouse both want Medigap coverage, you will each have to purchase separate policies.

If you're age 65 or older, during the first six months of your enrollment in Medicare Part B, you may choose any of the Medicare supplement plans without consideration of your health status. This is called your "open enrollment" period.

Medicare Advantage plans (also known as Medicare Part C)

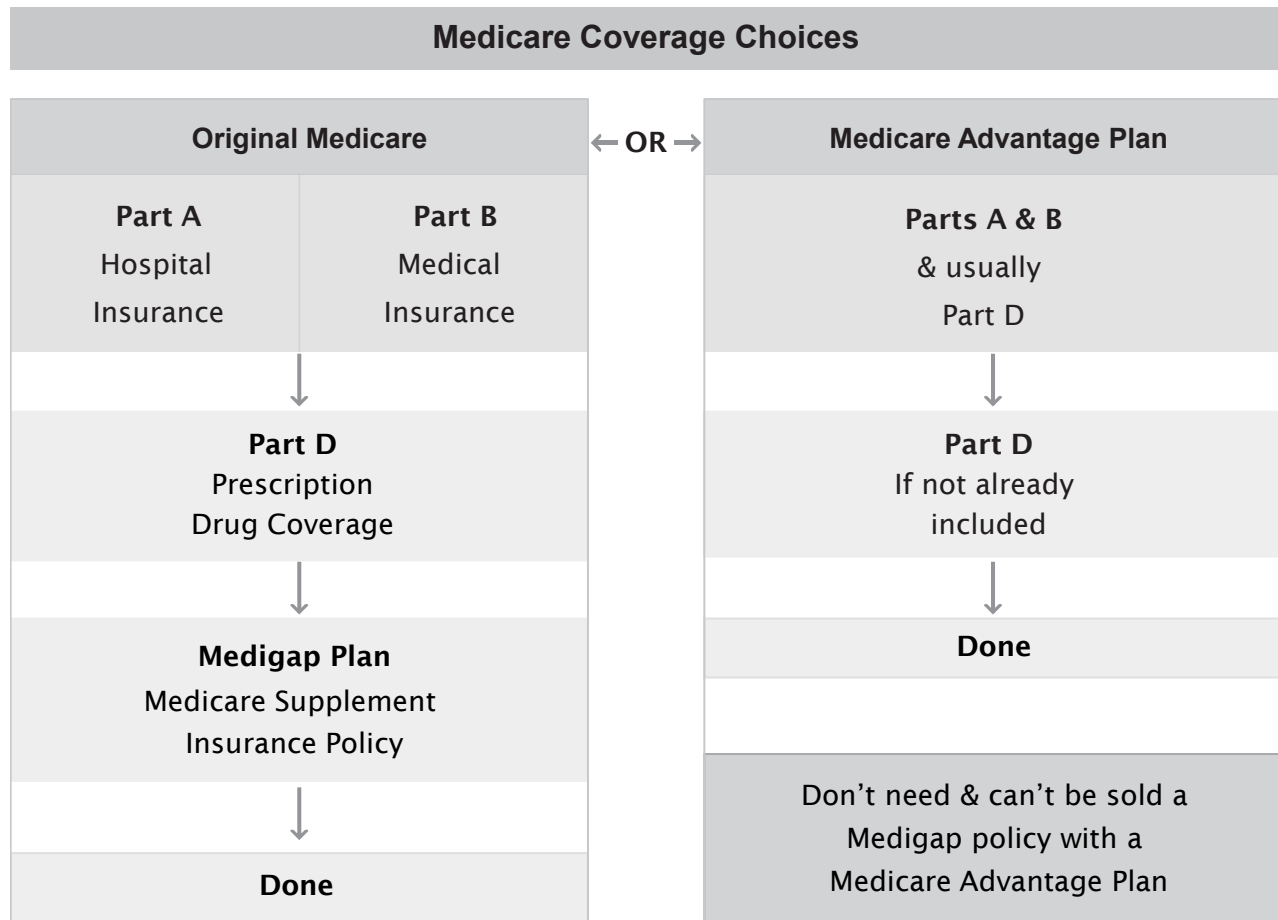
People who have both Medicare Part A (hospital insurance) and B (doctor and outpatient insurance) can enroll in a Medicare Advantage Plan, except for people with End Stage Renal Disease (ESRD). There are no waiting periods for pre-existing conditions, and you can't be turned down due to poor health. Not all plans are available in every county.

In addition to your Medicare Part B premium, which the Social Security Administration deducts monthly from your Social Security check, you may have a monthly premium for your Medicare Advantage Plan. Most plans also require a copay each time you see a doctor, receive a medical product or service, or go to the hospital. Most Medicare Advantage plans provide prescription drug coverage.

The plan pays for all medically necessary care covered by Medicare. Your plan may also include additional benefits such as eye and hearing exams, annual routine exams, and wellness classes.

Additional contact information for Medicare:

Centers for Medicare and Medicaid Services
 1-800-MEDICARE (800-633-4227)
 TTY users 1-877-486-2048
www.medicare.gov



COBRA – Consolidated Omnibus Budget Reconciliation Act

The Consolidated Omnibus Budget Reconciliation Act (COBRA) gives workers and their families who lose their health benefits the right to choose to continue group health benefits provided by their group health plan for limited periods of time under certain circumstances such as voluntary or involuntary job loss, reduction in the hours worked, transition between jobs, death, divorce, and other life events. Qualified individuals may be required to pay the entire premium for coverage up to 102 percent of the cost to the plan.

To be eligible for COBRA coverage, you must have been enrolled in your employer's health plan when you worked and the health plan must continue to be in effect for active employees. COBRA continuation coverage is available upon the occurrence of a qualifying event that would, except for the COBRA continuation coverage, cause an individual to lose his or her health care coverage.

Plan participants and beneficiaries generally must be sent an election notice not later than 14 days after the plan administrator receives notice that a qualifying event has occurred. The individual then has 60 days to decide whether to elect COBRA continuation coverage. The person has 45 days after electing coverage to pay the initial premium.

COBRA coverage begins on the date that health care coverage would otherwise have been lost by reason of a qualifying event. COBRA establishes required periods of coverage for continuation health benefits. A plan, however, may provide longer periods of coverage beyond those required by COBRA. COBRA beneficiaries generally are eligible for group coverage during a maximum of 18 months for qualifying events due to employment termination or reduction of hours of work. Certain qualifying events, or a second qualifying event during the initial period of coverage, may permit a beneficiary to receive a maximum of 36 months of coverage.

When you were an active employee, your employer may have paid all or part of your group health premiums. Under COBRA, as a former employee no longer receiving benefits, you will usually pay the entire premium amount, that is, the portion of the premium that you paid as an active employee and the amount of the contribution made by your employer. In addition, there may be a 2 percent administrative fee. While COBRA rates may seem high, you will be paying group premium rates, which are usually lower than individual rates.

Since it is likely that there will be a lapse of a month or more between the date of layoff and the time you make the COBRA election decision, you may have to pay health premiums retroactively — from the time of separation from the company. The first premium, for instance, will cover the entire time since your last day of employment with your former employer.

The Center for Medicare and Medicaid Services offers information about COBRA provisions for public-sector employees. You can write them at this address:

Centers for Medicare and Medicaid Services

7500 Security Boulevard
Mail Stop C1-22-06
Baltimore, MD 21244-1850

Information on COBRA is also available through the U.S. Department of Labor website.

Source: US Department of Labor – www.dol.gov/ebsa/consumer_info_health.html

Association of Washington Cities (AWC)

The AWC Employee Benefit Trust is a member service of the Association of Washington Cities, which provides health benefits to cities & towns in Washington. Retiree medical and dental coverage is available to the retirees of cities that purchase health benefits through the Trust.

Retiree medical coverage

The following minimum criteria must be met to allow access to the retiree plans.

Retiree medical programs entrance criteria:

- The employee must meet the retirement criteria (age, and years of service requirements) on the pension program contributed to by the employer at the time of retirement.
- Retiree coverage must be chosen immediately after active coverage/COBRA coverage terminates – no break in coverage is allowed.
- The retiree plan is available through the same carrier as insured immediately upon retirement, such as Regence/Asuris or Group Health. No switching of carriers is allowed.
- The retiree plan is available to the retiree for as long as the former employer continues to purchase medical coverage through the AWC Trust.
- Covered spouses and covered eligible dependents of covered employees are allowed to enroll on the retiree plans after the employee dies. Covered spouses and covered eligible dependents are allowed to stay on the retiree program after the covered retiree dies.
- If a retiree or dependent of the retiree terminates the retiree program – no re-enrollment will be allowed.

In addition to the criteria above, the following criteria must be met to enroll in the AWC. HealthFirst 1000 or HealthFirst 2500 retiree medical plans:

- The employee must have participated on a Trust medical plan for at least 5 years immediately preceding retirement. The employee must have been enrolled on a Regence/Asuris Northwest Health Trust medical plan for at least 3 years immediately preceding retirement.

Retiree dental coverage

Dental coverage is available with the same minimum criteria mentioned above. Coverage is available through the same carrier as insured upon at the time of retirement (such as Delta Dental of Washington or Willamette Dental.) As with medical, no switching of carriers is allowed.

Elected official, city manager/administrator, criteria for age and years of service

An elected official and/or city manager must meet the same minimum criteria as all other employees. However, the Board of Trustees has crafted different age and years of service pension requirements for these two classes of employees.

Retiree premium payments can be made by deduction from your state retirement defined benefit.

Contacting the Association of Washington Cities (AWC)

1076 Franklin Street SE, Olympia, WA 98501-1346

Phone: 360.753.4137 or 800.562.8981

Email: benefitinfo@awcnet.org

For more about retiree coverage for city/town employees: www.awctrust.org.

Washington Counties Insurance Fund (WCIF)

The Washington Counties Insurance Fund (WCIF) is a multi-employer, not-for-profit trust fund formed in 1958 by the Washington State Association of Counties (WSAC) to pool the cost of employee benefits for local government throughout the state of Washington. The current WCIF membership includes 20 of the 39 Washington counties and nearly 100 additional public entities. A list of participating employers is available on the WCIF website at wcif.net/AboutWCIF.htm.

The WCIF advises the following

Please note that certain eligibility and enrollment requirements apply for each plan. Because of this, enrolling retirees are sent individual enrollment packets customized for their available plan options. If you are planning on retiring, please contact your benefits administrator or the WCIF office for more information.

Medical Plans for retirees under age 65:

- Premera Blue Cross PPO (Premera WCIF 750 and 3000 Plans). These plans are available to anyone who was participating in any WCIF Premera medical plan as an active employee immediately prior to their retirement.
- Group Health HMO Plan (Group Health Select 750 Plan). This plan is available to anyone who was participating in any WCIF Group Health medical plan as an active employee immediately prior to their retirement.
- Premera WCIF 200 Plan for LEOFF Plan 1 retirees only.

Medical Plans for retirees age 65 and older:

- Post-65 retirees may not participate in WCIF Premera or WCIF Group Health Plans (above).
- Post-65 retirees (and/or dependents) may enroll in one of our two WCIF Medicare Supplement plans. These plans supplement Medicare Parts A and B, and feature a Part D compliant prescription drug benefit. These plans are available for residents of all 50 states.

Dental and vision plans.*

Regardless of age, retirees can participate in the following plans:

- Washington Dental Service (WDS) Retiree Plan.
- Willamette Dental Retiree Plans
- Vision Service Plan (VSP) Retiree Plan.

* Dental and vision plans are available to retirees who are coming off WCIF active plans or any other group plan.

Retiree premium payments can be made by deduction from your state retirement defined benefit.

Contacting the Washington Counties Insurance Fund (WCIF)

Office hours: 8:00 a.m. - 4:30 p.m., Monday through Friday

Physical Address:

2620 RW Johnson Road SW
Suite 300
Tumwater, Washington 98512

Mailing Address:

PO Box 7786
Olympia, Washington 98507-7786

Phone and website:

Local: 360.586.0466
Toll-Free: 800.344.8570
Source: wcif.net

Fax: 360.754.7859
Website: wcif.net

DCP

DCP: Discover the smart, easy way to save

The Washington State Deferred Compensation Program (DCP) is a supplemental retirement savings program available to all Washington State public employers and their employees. Educational employees are eligible to participate in both DCP – a 457 plan – and a 403(b) plan.

You can defer a portion of your salary toward retirement savings and pay taxes later on the deferrals and earnings. You decide how to invest your deferrals among the investment choices offered in the plan. DCP offers you an excellent opportunity to enhance your financial future.

It's not too late to enroll in DCP

Even the best pension plan may not provide all the income you need for your retirement. DCP can help bridge the income gap between your final salary and your pension benefit, supplement your Social Security benefits and provide income for increased life expectancy.

It's smart

- Low fees.
- No federal income taxes withheld from your deferrals.
- Roll eligible retirement funds into your DCP account.
- Catch-up provisions beyond annual maximums.
- Distributions are available without penalty at any age when you separate from employment.
- Tax credit. You may be eligible for a credit on your federal taxes equal to a percentage (up to 50 percent) of the first \$2,000 you invest in DCP. The credit is available if your adjusted gross income does not exceed \$60,000, if you are married and file a joint return, or \$30,000, if you are single or married and file a separate return or \$45,000 for heads of household. You may want to seek the help of a financial or tax advisor concerning the tax credit. If you have questions, please call DCP.

It's easy

- Simple enrollment process.
- Easy payroll deduction.
- Change your deferral amount whenever you want to, by visiting the website or calling the Information Line.
- Access your account twenty-four hours a day, seven days a week on the DCP website and Information Line.

Contributing to DCP

When you enroll in DCP, you decide how much you want deducted from each paycheck and where you want your money invested.

Minimum deferral: \$15 for semi-monthly payrolls, \$30 for monthly payrolls.

Maximum deferral: For participants under age 50, you may defer up to \$17,500 (\$1,458 monthly) from your annual compensation in 2014.

Catch-up provisions

There are two catch-up provisions for DCP participants; however, they may not be used concurrently. If you are age 50 or over, or within three years of normal retirement age, you may qualify for one of the special provisions below:

- **Age 50-plus catch-up:** If you're age 50 or over before the end of the tax year you can make additional deferrals up to \$5,500. Build a bigger nest egg for your retirement.
- **Three-year catch-up:** If you haven't been contributing the maximum deferral amount, the three-year catch-up provision allows you to defer up to twice the maximum during the three years before your normal retirement age.

To calculate the additional amount you're eligible to defer, contact DCP's local office at 360-664-7839 or toll free at 888-327-5596, Monday – Friday, 8 a.m. – 5 p.m.

Rollovers

You may roll over certain distributions into DCP from a traditional Individual Retirement Account (IRA) or from an eligible employer's retirement plan. Contact DCP to find out how easy it is to consolidate your savings and take advantage of our low fees.

Lump sum payments

You can use lumps sum payments and your accrued annual and/or sick leave to maximize your retirement savings income.

- **Annual leave:** If you receive an annual leave cash out, you have an opportunity to defer this amount into DCP up to the maximum limits.
- **Sick leave:** When you retire (or each January, if you are an eligible state employee), you may elect to receive compensation for unused sick leave. Retirement sick leave cash outs cannot be deferred if your employer participates in VEBA (Voluntary Employees' Beneficiary Association). Please check with your payroll or human resources department to see if your agency participates in VEBA.
- **Post-30 Year Contributions:** The Post 30-Year Program is only available to TRS 1 and PERS 1 members who attain 30 years of service. If this applies to you, when you retire you can roll any contributions you've made since enrolling in the Post 30-Year Program into DCP.

Take this one-time opportunity to increase your retirement savings and defer income taxes. Please contact DCP a month before your cash out to ensure you can take advantage of this opportunity. Note: Other lump sum payments such as Bonus and Incentive Payments can also be deferred.

Two investment approaches

It is important to periodically review your investment portfolio, investment objectives, and the investment options in DCP to help ensure that your retirement savings will meet your retirement goals.

Remember to consider the length of time you have before retirement and your plans during retirement — these are important factors as you determine what funds to invest in.

DCP offers you two different approaches to investing and several different fund options. To determine which approach — One-Step Investing or Build and Monitor — might be right for you, ask yourself these questions:

- Do I have the desire to select my own mix of individual funds?
- Am I comfortable deciding how much to invest in each fund?
- Do I have the time to keep an eye on my investments and make changes as I get closer to retirement?

If the answer to any of these questions is yes, you may be interested in the Build and Monitor approach to investing. If the answer to any of these questions is no, you may be interested in the One-Step Investing approach.

Build & Monitor

The Build & Monitor approach allows you to create your investment portfolio by selecting from any or all of DCP’s professionally managed funds.

The amount of potential risk and return associated with each fund, as well as your tolerance for risk, is one way to think about which investment(s) you might be interested in. With this in mind, remember that diversification is also important. You are responsible for monitoring your portfolio and rebalancing the allocation mix as necessary to maintain your investment objectives.

One-Step Investing

If you find you don’t have the desire, comfort level and/or time to select your own mix of funds, monitor them and make changes, allocating your investments to Retirement Strategy Funds may be right for you.

Retirement Strategy Funds (RSF) are diversified asset allocation portfolios designed for people who want to leave ongoing investment decisions to an experienced portfolio management team. You pick the RSF with the date closest to your expected target date for retirement and the management team adjusts the asset mix of each RSF over time to the allocation it deems appropriate for your age.

Summary

The two different investment approaches described above imply you should choose one approach. However, there is nothing to prevent you from using both approaches if you wish.

We recommend you refer to the DCP Investment Guide and Fund Fact Sheets for additional details on each of the funds available to you.

How do I enroll?

- Complete a *Participation Agreement* form (available in the Forms section of the DCP website at www.drs.wa.gov/dcp) or call the DCP Information Line at 888-327-5596 and request that we mail you the form.
- Return your completed form by mail to: DCP at PO Box 40931, Olympia, WA 98504-0931.

For additional information, review the enrollment information available on the website.

NOTES

Leaving employment soon?

Whether you're getting ready to retire or just taking a break from employment, you have the option of maintaining your DCP account. Keeping your money in DCP may provide you with better retirement opportunities. Here's why:

Six reasons to stay in the plan

1. **Easy 24/7 account management.** As a DCP participant, you can continue to access account information, Plan information, and investment education 24 hours a day, seven days a week — either online or by phone. Call the DCP Information Line at 888-327-5596 or access the website at www.drs.wa.gov/dcp at any time to get account information and investment education, make changes to your account and get answers to your specific questions.
2. **Diverse investment opportunities.** You can choose from a range of investment options so you can maintain a well-diversified portfolio across all the major asset classes.
3. **Quick and easy transfers among investment options.** When you stay in DCP, there's no paperwork to transfer your assets among the many investment choices. Transfers made online or by phone before 1:00 p.m. Pacific Time will be effective the same business day. Transfers made at or after 1:00 p.m. Pacific Time will be effective the next business day.
4. **Low cost program.** As a DCP participant, you get the benefit of strength in numbers by being part of a large group plan. This allows you access to institutional pricing that is not typically available to individuals or small retirement programs. This means that more of your money works for you in your DCP account.
5. **Easy consolidation of your retirement savings.** You may roll over your retirement savings from other tax-deferred accounts into DCP. If you have a 403(b), 401(k), 401(a) or 457 plan account from a previous employer, or a pre-tax IRA, you may move those investments into DCP, so you can easily access and manage all your assets in one account.
6. **Flexible distribution and payout options.** DCP provides a variety of distribution options to suit your financial needs, including periodic installments and partial withdrawals. You can change your distribution arrangement as many times as necessary to meet your needs, as long as you begin receiving payments during the year after you reach 70½.

Bottom line — DCP offers access to a wide range of investment choices, low fees, flexibility and access to valuable services.

Withdrawing money from DCP

When you separate from service you are eligible to receive payment from your DCP account. Payment must begin by April 1 following the year in which you reach age 70½ or retire, whichever comes later. Upon your death, your beneficiaries will receive payment.

If you are a DCP participant planning for retirement, you may have questions about how distributions work. Here are some of the more common questions we receive.

Can I leave my money in DCP? Yes, you can leave your money in your account and let the funds continue to grow tax-deferred. The IRS does require, however, that you begin receiving payment by April 1 following the year in which you reach age 70½ unless you are still working. You have several payment options.

When is the earliest I can take my funds out after leaving employment? You can begin receiving payment 30 days after your last paycheck.

What are my distribution options? Several options are available when you leave employment, including:

- **Lump sum distribution.** All of your money distributed in one lump sum.
- **Partial lump sum distribution followed by installments.** An initial lump sum payment, followed by installment payments, made at least annually.
- **Rollovers.** For lump sums or periodic payments over less than ten years, you can elect to have your distribution rolled over to an Individual Retirement Account (IRA) or another eligible employer plan.
- **Installments.** A series of payments in an amount and frequency you choose.
- **Establish a specific time period for distribution.** Set up a personalized payment plan to meet your individual needs.
- **Annuity.** A contract between you and an insurance company establishing a fixed monthly payment for life.
- **Flexible withdrawal distributions.** A portion of your funds distributed to you in any amount, at any time. The remainder stays in your account.

Can I change or stop my payments? Yes, in most cases, payments may be cancelled at any time as long as you are under age 70½.

Are there any penalties when taking distributions? There are no early withdrawal penalties with DCP. However, if you had rolled over funds into DCP from an IRA or previous employer sponsored plan such as a 401(k), 401(a) or 403(b), there could be early withdrawal penalties.

How much will I owe for taxes when I receive my distribution or distributions? If you choose to receive payments over a period of less than 10 years, 20 percent of your distribution will be withheld for federal taxes. If you choose to receive payments over a period of 10 years or more, taxes will be withheld as indicated by IRS Form W-4P. You should submit Form W-4P with your *Distribution Request* form when initiating distributions. If you do not submit Form W-4P, you will be taxed as if you are married and claimed three exemptions.

When do I pay taxes on my DCP funds? Your funds are taxed as regular income in the tax year they are paid to you and will be reported to you on Form 1099-R.

Can I use my DCP funds to purchase retirement service credit? Yes, you may transfer DCP funds to purchase service credit from a Washington State retirement plan. You will need to complete a *Rollover Authorization into the Department of Retirement Systems* form with the bill amount you wish to pay. Please contact the Department of Retirement Systems at 800-547-6657 for more information.

Can I roll my DCP funds into an IRA or another eligible employer plan? Yes, you may roll your DCP funds into an IRA or another eligible employer plan. Except for a Roth IRA, if you elect a direct rollover, you will not owe federal income taxes on the rollover amount until distribution is taken from the traditional IRA or an eligible employer plan.

What happens if I return to work? If you return to work for a public employer that participates in DCP, you may re-enroll in DCP. If you have begun receiving payments from your account, they will stop.

Who can I contact if I have additional questions? Please call the DCP Information Line at 888-327-5596 if you have additional questions. The *DCP Distribution Booklet* is available on the DCP website under publications. Distribution choices and rules are complicated. You are encouraged to talk with your tax advisor or financial planner regarding distribution options and associated impacts.

Resources

Retirement Resources

Glossary

DRS terms	30
Estate and financial planning terms	32

Retirement planning

Retirement planning checklist.....	34
Retirement-related contacts	36

Estate and financial planning

Knowing your number	39
Where does your money go? worksheet	39
Living within your budget worksheet	40
Estimating your retirement income worksheet	41
Estate and financial planning to-do list	42
Organize your information worksheet.....	43
10 questions to ask when choosing a financial planner.....	44
Estate – A letter to my survivors and heirs	46
Personal affairs record.....	47

Glossary: DRS Terms

Active member: A member who is working in a retirement system eligible position.

Age 50-plus catch-up provision: Deferred Compensation Program participants who are age 50 and over are allowed to catch-up on their contributions by deferring an additional \$5,500 (in 2012) beyond the maximum annual deferral.

Annuity factor: When purchasing service credit, it is the amount applied by the State Actuary's Office once the monthly value of the purchased service credit is determined. It can also be used in the calculation of an annuity match payment in TRS Plan 1.

Average Final Compensation (AFC): Applies to PERS, PSERS, TRS, and SERS only. For TRS Plan 1, a yearly average of your two consecutive highest-paid fiscal years (July 1 – June 30). For PERS Plan 1, a monthly average of your 24 consecutive highest-paid service credit months. For Plan 2 and Plan 3, a monthly average of your 60 consecutive highest-paid service credit months.

Average Final Salary (AFS): In WSPRS Plan 1, the AFS is calculated from the member's 24 consecutive highest-paid service credit months. For WSPRS Plan 2, it is from a member's 60 consecutive highest-paid service credit months.

Beneficiary: The person, estate, organization or trust you have designated to receive any benefits that are payable upon your death.

Catch-up: (Also see Age 50-plus catch-up provision) DCP participants have a higher limit on the amount they can defer to the program in the three calendar years before they reach normal retirement age – allowing them to catch up on contributions. You may be eligible to defer an additional amount equal to twice your maximum deferral for the year.

Cost-of-living adjustment (COLA):

On July 1 of every year that follows your first full year of retirement, for those eligible, the monthly defined benefit is adjusted by the percentage change in the Consumer Price Index, to a maximum of three percent per year.

Covered position: Also known as an eligible position. A position with enough compensated hours per year to be eligible for pension benefits (e.g. some part time or seasonal employees would not be eligible for benefits). An eligible position is defined as five or more months of service per year (12 month period) and at least 70 hours of compensation per month.

Deferred Compensation Program (DCP):

A voluntary supplemental retirement savings program available to public employees. Allows participants to defer pre-tax dollars up to a yearly maximum and to accumulate savings on a tax-deferred basis. DCP is an Internal Revenue Code Section 457 Plan.

Defined benefit: A benefit that is based on a set formula. The benefit is paid for your lifetime. Plan 1 and Plan 2 are defined benefit plans. Plan 3 is a defined benefit plan that has a defined contribution component.

Defined contribution (a component of Plan 3 only; some members of Plan 2 have the option to transfer to Plan 3):

A benefit that consists solely of the money contributed by the member and any investment gains, losses or expenses applied to the member's account.

Dual member: An individual who has established membership in more than one of the state of Washington's retirement systems, including First Class City Retirements for Seattle, Spokane and Tacoma.

Earnable compensation: The compensation or salary you would have earned in a position you vacated.

Effective retirement date: Usually the first day of the month following the month in which you reach eligibility to retire. This is also referred to as your accrual date.

Final Average Salary (FAS): For LEOFF Plan 2, the monthly average of your 60 consecutive highest-paid service credit months.

First Class Cities: The three cities in Washington with their own retirement systems – Seattle, Spokane and Tacoma. In some instances, dual membership can be attained if you worked for a First Class City.

ICMA-RC: The third-party record keeper that contracts with DRS to perform customer service and record keeping services for PERS, SERS and TRS Plan 3.

Inactive member: A member who is not currently working in an eligible retirement system position.

Indexing: Also known as **inflation protection**; Indexing applies to LEOFF Plan 2 & all Plan 3 systems. If you have at least 20 service credit years and separate from service, your benefit increases by approximately three percent every year that you delay receiving benefits until your system's normal retirement age.

Normal retirement age: The age, as established by a plan, when you can receive an unreduced benefit. Refer to your Plan handout.

Optional bill: An invoice that the member may pay if he or she wishes to receive certain service credit. For example, optional bills may be issued to members who are restoring service credit or purchasing service credit for an authorized leave of absence.

Pop-up: If a retiree's designated survivor dies before the retiree, the retiree's monthly retirement benefit can increase because it is no longer reduced to allow for the survivor's continuing benefit. This increase is called a pop-up.

Portability: The ability to use membership in more than one Washington State retirement system to qualify for retirement benefits.

Purchase of additional service credit: A way to increase your monthly benefit and your survivor's monthly benefit. The additional service credit you purchase is not considered actual membership service credit and can only be purchased at time of retirement when you have already qualified for retirement.

Purchasing an annuity - TRS only: When you apply for retirement, you can supplement your monthly benefit by making a one-time, lump sum payment to purchase an annuity. You may roll over funds from another tax-deferred retirement account to pay for this annuity. Contact DRS to learn more.

Restoration: The process of restoring a member's service credit for prior periods. A member who has left service and withdrawn contributions can, upon re-establishing membership, receive service credit for prior service. The member must repay all withdrawn contributions plus interest charged since the time of withdrawal.

Reduction factor: A reduction in your retirement benefit that is based on criteria such as your age at retirement and which benefit option you choose. It is also referred to as an actuarial reduction because the reduction formulas are determined by the Office of the State Actuary.

Rollover: Money from another eligible retirement savings plan that is paid to a person who has left employment, who then rolls over some or all of the distribution into another eligible retirement plan within the time limit allowed.

Service credit: The credit you receive for working in a position covered by one of the state of Washington retirement systems. Service credit is used to determine your eligibility for retirement and your benefit amount.

Survivor: An individual designated to receive a continuing retirement benefit upon a member's death.

TAP Fund: The Total Allocation Portfolio Fund is a diversified investment portfolio. The Tap fund is managed by the Washington State Investment Board.

Warrant: Your retirement benefit check. The state calls checks warrants.

Financial and estate planning terms

Annuity: Payments for life derived from a member's accumulated contributions. All annuities are paid in monthly installments.

Asset allocation: Distribution of investment dollars among asset classes, such as stocks, bonds, cash, etc.

Bonds: An IOU for money you lend to the issuer of the bond. The issuer promises to pay the holder a specified amount of interest over a specific time period, with the principal repaid on the maturity date.

Cash equivalents: Short-term investments that are readily convertible into cash, such as money market holdings, short-term government bonds or Treasury bills, marketable securities and commercial paper.

Certified financial planner (CFP): A professional who has attained a high degree of technical competency in financial planning and has passed a series of professional examinations.

Diversification: The distribution of investments among several companies to lessen the risk of loss.

Do not resuscitate order (DNR): A doctor's order that tells all other medical personnel not to perform CPR if you go into cardiac arrest. There are two types of DNRs. One is effective only while you are hospitalized. The other is used while you are outside the hospital. Like Living Wills, this directive comes from the individual, not the doctor. DNRs are usually done as an estate planning tool or before scheduled surgery.

Dollar cost averaging: An investment strategy that involves investing a fixed amount in a particular investment at regular intervals, such as putting \$1500 into a particular stock or fund each month. The amount you invest remains constant, so you purchase more shares when the price is lower and fewer shares when the price is higher.

Durable power of attorney: A legal document used to name an agent to make health care and/or financial decisions on your behalf, if you are unable to do so.

Estate planning: A process that is designed to protect the financial assets you have earned during your working life.

Executor: A person who carries out or performs legal tasks on your behalf, such as the executor of your estate after your death.

Inflation risk: Sometimes known as purchasing power risk, this refers to the possibility that prices will rise in the economy as a whole, so your ability to purchase goods and services will decline.

Interest rate risk: Relates to increases or decreases in prevailing interest rates and the resulting price fluctuation of an investment, particularly bonds.

Intestate: Having made no legal will.

Living will: An expression of your wishes. It gives family and doctors direction if you have a terminal condition (as diagnosed by the attending doctor) and are incapable of doing so. It asks family and doctors not to use extraordinary means to prolong life.

Long-term health care: In general, health care decisions you make now for the later years of your life.

Market risk: The possibility that an investment will lose value because of a general decline in financial markets, due to economic, political or other factors.

Medical directive: See definition under Living will.

Probate: A legal term for transferring a deceased person's estate under the supervision of the court.

Reinvestment rate risk: The possibility that you will have to reinvest funds at a lower rate of return than the original investment.

Risk tolerance: Refers to both your personal desire to assume risk and your financial ability to endure risk. It also assumes that risk is relative to your own personality and feelings about taking chances.

Rule of 72: Gives you a fast benchmark to determine how good (or not so good) a potential investment is likely to be. The rule says that to find the number of years required to double your money at a given interest rate, you divide the interest rate into 72. For example, if you want to know how long it will take to double your money at eight percent interest, divide 8 into 72 and get 9 years (this assumes the interest is annually compounded).

Stocks: Represent ownership in a company. The value of a stock will fluctuate with the company's performance and the stock market in general.

Trust: An agreement under which assets are held and managed by one person for the benefit of another.

Will: The legal statement of a person's wishes concerning the disposal of his or her property after death.

Retirement Planning Checklist

The earlier you begin retirement planning, the more successful your retirement will be. If you haven't already sought financial planning advice, now is a great time. The steps below will help you successfully transition to retirement – you might increase your total retirement income or even retire sooner.

1 - 2 years before retirement

- ☐ Sign up to access Your Retirement Account at www.drs.wa.gov. Through your online account access, you can also view your Deferred Compensation Program (DCP) and Plan 3 defined contribution accounts.
- ☐ Review your plan handbook for retirement eligibility rules (also available on the DRS website).
- ☐ Use online account access to verify the accuracy of your service credit. If you find information you think is incorrect, contact DRS.
- ☐ Estimate your future monthly benefit by using the Online Benefit Estimator available through your online account access.
- ☐ Sign up for DCP or another employer sponsored voluntary retirement plan. You might also want to consider utilizing the “catch-up” provisions to maximize your savings.
- ☐ Contact DRS to find out if you are eligible to purchase optional service credit.
- ☐ Plan for your health care coverage during retirement by identifying options available to you.
- ☐ Contact your employer to find out if they participate in a health reimbursement arrangement offered by the Voluntary Employees' Beneficiary Association (VEBA).

3 - 12 months before retirement

- ☐ Request an official estimate of your monthly benefit payment. You can do this by using the “Contact Us” feature through your online account access or by calling DRS.
- ☐ Complete payment of any outstanding optional service credit invoices.
- ☐ Ask your employer about which health care coverage options are available to you when you retire. If you are covered by the Public Employees Benefits Board (PEBB) Program, or will be after you retire, contact PEBB Benefit Services.
- ☐ Determine when you should apply for Medicare and retirement benefits available through the Social Security Administration (SSA).

30 – 90 days before retirement

- ☐ Contact DRS if you need to make changes to your official estimate (i.e. your retirement date or survivor options have changed).
- ☐ Apply for retirement through your online account access.
- ☐ Review your acknowledgment letter for accuracy. This letter includes important information and summarizes key options you selected. It also provides the status of required forms necessary to process your retirement application.
- ☐ Complete payment of any outstanding optional service credit invoices.
- ☐ If you are a Plan 3 member, consider whether you want to begin receiving distributions from your defined contribution account upon retirement. Contact ICMA-RC to discuss your options and the process.
- ☐ If you're eligible for PEBB health care coverage, send your PEBB retiree coverage election form to the Health Care Authority (HCA).
- ☐ Contact DCP to learn about deferring your unused leave lump sum payments.
- ☐ Notify your employer of the date you intend to resign.

At and during retirement

- ☐ Verify that the retirement information on your benefit letter is correct. You will receive this letter once DRS calculates your retirement benefit.
- ☐ Contact DRS if you do not receive your first payment within one week of the date listed in your benefit letter.
- ☐ Make sure the deductions on your monthly benefit statement are correct.
- ☐ Contact PEBB Benefit Services for questions about your PEBB health plan premium deductions.
- ☐ Contact DRS if you have questions about other non-PEBB deductions.
- ☐ Keep your address and beneficiary information current.
- ☐ Enjoy your retirement!

Retirement-related contacts

Washington State Department of Retirement Systems

360.664.7000 or 800.547.6657

TTY 360.586.5450

Toll-free TTY 866.377.8895

Email: recep@drs.wa.gov

www.drs.wa.gov

Like us on Facebook: www.facebook.com/WADRS

Administration on Aging (AoA)

202.619.0724

www.aoa.gov

AoA is the federal focal point and advocate agency for older persons and their concerns.

American Association of Retired Persons (AARP)

888.687.2277

www.aarp.org

A nonprofit, nonpartisan membership organization for people age 50 and over. AARP is dedicated to enhancing quality of life for all as we age.

American Benefits Council

202.289.6700

www.appwp.org

Advocate of employer-sponsored benefit programs.

American Society on Aging

800.537.9728

www.asaging.org

An association of diverse individuals bound by a common goal: to support the commitment and enhance the knowledge and skills of those who seek to improve the quality of life for older adults and their families.

Association for Financial Counseling & Planning Education (AFCPE)

703.684.4484

www.afcpe.org

A professional organization focused on supporting, promoting and advancing the field of financial counseling and planning education.

Choose to Save

202.659.0670

www.choosetosave.org

Created by the Employee Benefit Research Institute (EBRI) and its American Savings Education Council (ASEC) program, Choose to Save® has developed user-friendly, multimedia materials to help individuals plan and save for their financial future.

Corporation for National and Community Service

Retired Senior Volunteer Program (RSVP)

202.606.5000

www.nationalservice.gov

The Corporation for National and Community Service's mission is to play a vital role in supporting the American culture of citizenship, service and responsibility.

Employee Benefit Research Institute (EBRI)

202.659.0670

www.ebri.org

The mission of EBRI is to contribute to, encourage and enhance the development of sound employee benefit programs and sound public policy through objective research and education.

U.S. Equal Employment Opportunity Commission (EEOC)

800.669.4000

www.eeoc.gov

The EEOC promotes equality of opportunity in the workplace and enforces federal laws prohibiting employment discrimination.

Financial Industry Regulatory Authority (FINRA)

301.590.6500

www.finra.org

Largest non-governmental regulator for all securities firms doing business in the United States.

Financial Literacy & Education Commission

888.696.6639

www.mymoney.gov

The MyMoney.gov website is an online point of access to financial information from the 21 Federal agencies, departments and bureaus that comprise the Financial Literacy & Education Commission. Visitors will be able to find information about how to plan for a host of life events that have financial implications, such as birth or adoption of a child, home ownership, or retirement.

ICMA-RC

888.711.8773

Email: plan3@icmarc.org

www.icmarc.org/washingtonstate.html

Third party record keeper for PERS, SERS and TRS Plan 3.

Internal Revenue Service (IRS)

800.829.1040

www.irs.gov

The IRS administers the Internal Revenue Code enacted by Congress.

Medicare

800.633.4227

www.medicare.gov

Medicare is health insurance for people 65 years or older, under age 65 with certain disabilities, and any age with end-stage renal disease (ESRD) or Lou Gehrig's disease. Medicare has four parts — Part A, which is hospital insurance, Part B, which is medical insurance, Part C, which is Medicare Advantage Plans, and Part D, which is Prescription Drug Coverage.

The Medicare & You Handbook is your best & official source of answers to your Medicare questions. It can be found on the Centers for Medicare & Medicaid Services website at www.medicare.gov/Publications/Pubs/pdf/10050.pdf

National Council on Aging (NCOA)

202.479.1200

www.ncoa.org

Founded in 1950, NCOA is a nonprofit organization that has programs to improve the lives of millions of older adults, especially those who are vulnerable and disadvantaged and to act as a national voice for older adults and the community organizations that serve them.

National Institute on Aging (NIA)

800.222.2225

www.nia.nih.gov

One of the 27 Institutes and Centers of the National Institute of Health. Leads a broad scientific effort to understand the nature of aging and to extend the healthy, active years of life.

Seattle City Employees' Retirement System

206.386.1293

www.seattle.gov/retirement

Provides retirement income to thousands of former City of Seattle employees and their beneficiaries.

Senior.com

949.713.1400

www.senior.com

Provides members with a safe community to communicate with family and friends, to research information and to purchase items in a secure environment.

Statewide Health Insurance Benefits Advisors (SHIBA) HelpLine

800.562.6900

Washington State Office of the Insurance Commissioner

www.insurance.wa.gov/shiba

The SHIBA HelpLine provides free health care coverage counseling.

Social Security Administration (SSA)

800.772.1213

www.socialsecurity.gov

The official phone number and website for the Social Security Administration. You can order new cards, change your address or set up an appointment at your local office.

Spokane Employees' Retirement System

509.625.6330

www.spokanesers.org

City of Spokane's retirement system.

Tacoma Employees' Retirement System

253.502.8200

www.cityoftacoma.org/government/city_departments/tacoma_retirement_systems/

The system is a defined benefit plan that is funded by tax deferred employee and employer contributions.

U.S. Department of Labor (DOL)

866-444-3272
www.dol.gov/ebsa

Responsible for standards in occupational safety, wages and number of hours worked, unemployment insurance benefits, re-employment services and a portion of the country's economic statistics.

U.S. Securities & Exchange Commission (SEC)

800-732-0330
www.sec.gov

The mission of the U.S. Securities and Exchange Commission is to protect investors, maintain fair, orderly, and efficient markets and facilitate capital formation.

Voluntary Employees' Beneficiary Association (VEBA)

800-422-4023 (Western Washington)
 800-888-8322 (Eastern Washington)
www.veba.org

VEBA offers health reimbursement arrangements (HRA) to groups of eligible public employees.

Washington Health Benefit Exchange

855-923-4633
www.wahbexchange.org

The Exchange is a public-private partnership separate & distinct from the state responsible for the creation of Washington Healthplanfinder.

Washington Healthplanfinder

855-923-4633
www.wahealthplanfinder.org

An online marketplace for individuals, families & small businesses in Washington State to find, compare & enroll in qualified health insurance plans. If you are over 65 and eligible for Medicare, you will not be able to use the Exchange.

Washington State Department of Social & Health Services (DSHS)

Aging & Long-Term Support Administration

800.422.3263
 TTY: 877.905.0454
www.adsa.dshs.wa.gov

Serves adults with chronic illnesses or conditions and people of all ages with developmental disabilities.

Washington State Department of Financial Institutions (DFI)

877.746.4334
 TTY: 360.664.8126
www.dfi.wa.gov

DFI provides regulatory oversight for our state's financial service providers.

Washington State Health Care Authority (HCA)

360.725.0440
 PEBB: 800.200.1004
www.hca.wa.gov

HCA administers four health care programs: *Basic Health*, *Community Health Services*, the *Prescription Drug Program* and *Public Employees Benefits Board* (PEBB), that provide access to high-quality health care for more than 500,000 Washington residents. The HCA also oversees the *Uniform Medical Plan* (UMP).

Washington State Insurance Commissioner

800.562.6900
www.insurance.wa.gov

Responsible for regulating the insurance business in Washington State.

Washington State Department of Health (DOH)

800.525.0127
www.doh.wa.gov

Works with its federal, state and local partners to help people in Washington stay healthier and safer. DOH's programs and services help prevent illness and injury, promote healthy places to live and work, provide education to help people make good health decisions and ensure our state is prepared for emergencies.

Washington State Investment Board (WSIB)

360.956.4600
www.sib.wa.gov

Closely monitors the performance of all DCP and Plan 3 investment options, with reasonable care, skill, prudence and diligence. Safeguarding and maximizing your retirement dollars is one of the investment board's highest priorities. Trustees of the WSIB have fiduciary responsibility to act only for the benefit of the participants.

Women's Institute for a Secure Retirement

202.393.5452
www.wiserwomen.org

Works to provide low and moderate income women with basic financial information aimed at helping them take financial control over their lives and to increase awareness of the structural barriers that prevent women's adequate participation in the nation's retirement systems.

Washington State Government YouTube Channel

<http://www.youtube.com/user/washingtongovernment>

The Washington State Government YouTube channel links individuals to videos from state agencies, departments and elected officials.

Estate and financial planning – Knowing your number

When it comes to planning for retirement, it's important to know your numbers.

- What's the best time for you to retire?
- How much money should you set aside?
- What's the bottom line of your household budget?

The worksheets in this section will not only help you find your numbers, they'll also show you how to use them. But first, you'll need to gather the facts.

Where does your money go?

Do you have a budget that you follow closely? Knowing what you spend and where you spend it are two important components to achieving a sound financial future. Try this. Track your expenditures closely for the next two months. You may be surprised to learn where your money goes!

Income	Monthly	Yearly	Expenses	Monthly	Yearly	Expenses	Monthly	Yearly
Salary			Sewer/trash			Eye care		
Spouse's salary			Phone			Other medical expenses		
Part-time income			Cell phone			Life insurance		
Rental income			Cable/internet			Disability insurance		
Business/farm			Car payment			Other insurance		
Investment income			Car payment			Credit card payment		
Alimony			Car insurance			Credit card payment		
Child support			Car maintenance			Credit card payment		
Other			Car expenses (gas)			Loan payment		
Total			Car license/registration			Loan payment		
Expenses	Monthly	Yearly	Public transportation			Movies/concerts		
Savings			Clothing			Sports		
Groceries/food			Shoes			Hobbies		
Eating out			Accessories			Publications/subscriptions		
Daily expenses (parking, snacks)			Dry cleaners			Gifts		
Childcare			Hair care			Holiday expenses		
Education			Cosmetics			Vacation		
School related exp.			Pets			Taxes (FICA, federal, state)		
Lessons			Charitable giving			Property taxes		
Rent/mortgage			Allowances			Furniture/appliances		
Home insurance			Clubs			Professional services (legal, accounting)		
Home maintenance/repairs			Medical insurance			Bank or other misc. charges		
Cleaning			Prescriptions			Other		
Gas/electric			Doctor visits			Other		
Water			Dental			Total		

Determining what you spend each month is often an eye-opening experience. Now that you have a budget, you can see how well you're doing.

40

Estimating your retirement income¹

		Monthly income	Yearly income
Government benefits:	Social Security (on your earnings)	\$	\$
	Social Security on your spouse's or former spouse's earnings, or deceased spouse's benefit	\$	\$
	Federal, state and/or municipal pension	\$	\$
	Veteran's benefits	\$	\$
Employer benefits:	Company pension plan(s)	\$	\$
	DCP or 457 account(s)	\$	\$
	401(k) or 403(b) plan(s)	\$	\$
	Keogh	\$	\$
	Union or other	\$	\$
	Profit sharing	\$	\$
	Stock purchase/ownership plan	\$	\$
	Other	\$	\$
Individual savings and investments:	IRA	\$	\$
	Savings account (interest)	\$	\$
	Money market account (interest)	\$	\$
	Certificate of deposit (interest)	\$	\$
	Mutual funds (dividends, capital gains)	\$	\$
	Stock (dividends)	\$	\$
	Bonds (dividends)	\$	\$
	Income from annuities	\$	\$
	Pension/Social Security/annuity from former spouse	\$	\$
	Home equity conversion	\$	\$
	Government treasury securities	\$	\$
	Farm/business rent or installment payments	\$	\$
	Other	\$	\$
Your earnings:	Salary, wages, tips, hobbies	\$	\$
	Commissions, royalties, consultant fees	\$	\$
	Partnership income	\$	\$
Assets that could be liquidated:	Real estate—home, farm, business, rental	\$	\$
	Mutual funds	\$	\$
	Stocks	\$	\$
	Bonds	\$	\$
	Antiques, collectibles, jewelry, art work	\$	\$
	Motor vehicles	\$	\$
Total estimated income		\$	\$

¹ www.urbanext.uiuc.edu/ww1/worksheets.html

Estate and financial planning to-do list

- ☐ Determine your cash flow
- ☐ Assess your net worth
- ☐ Outline priorities and goals; attach time frames and dollar amounts
- ☐ Establish a savings account for planned expenses
- ☐ Establish an emergency account for unplanned events
- ☐ Review and re-evaluate any investments
- ☐ Get an estimate of how much money you will receive from your retirement system (estimate the benefit on your own, or if within two years of retirement, request that DRS prepare an estimate)
- ☐ Investigate how much you can expect to receive from Social Security
- ☐ Examine your insurance protection for gaps
- ☐ Organize your records

You and your spouse/partner have many complex legal obligations and rights to consider as you approach retirement. Before committing yourself to any action, take the time and care to find out exactly what your legal obligations and rights are. Remember: it is essential to keep well-organized records of your financial and legal actions.

Listed in the next column are actions you'll want to take to ensure the efficient handling of your affairs at the time of your death or disability.

- ☐ Determine the size of your estate
- ☐ Estimate tax, probate and other costs
- ☐ Determine which legal document will best meet your needs in transferring your assets upon your death:
 - » Will
 - » Community property agreement
 - » Trust
 - » Other
- ☐ Complete a letter to my survivors and heirs on page 47
- ☐ Consider which, if any, additional documents you want drawn up now in the event that you become disabled or incompetent:
 - » Durable Power of Attorney for Financial Purposes
 - » Durable Power of Attorney for Health care
 - » Washington Health Care Directive (Living Will)
 - » Other
- ☐ Review your estate planning documents regularly to ensure they remain current (tax laws and life circumstances change)
- ☐ Keep your attorney informed of anything that may impact your estate such as entering into business ventures, buying or selling a home or other property or making financial transactions such as home equity conversion(s)
- ☐ If married or in a similar committed relationship, encourage your spouse or partner to do all of the above

Organize your information

Now that you know what your goals are, let's look at where your important documents can be found. Below you will find a checklist of documents to consider when developing a filing and organization system. Each document includes data pertinent to your financial journey.

Do you know where all of these documents are located? If so, give yourself a pat on the back. If not, start accumulating. If you have thrown out some of the documents, many can be replaced with a few phone calls. Take some time to collect names and phone numbers and write them in the space provided below so they will be readily accessible to you.

Check off the items that you can locate

Tax withholding documents	
<input type="checkbox"/> Federal income tax returns (IRS) 800.829.1040	<input type="checkbox"/> Tax withholding
<input type="checkbox"/> Pay check stubs	<input type="checkbox"/> Election of DCP withholdings 888.327.5596
<input type="checkbox"/> Other	<input type="checkbox"/> Other
Investment information	
<input type="checkbox"/> Bank statements	<input type="checkbox"/> Lease agreements
<input type="checkbox"/> Certificates of deposit	<input type="checkbox"/> Real estate records
<input type="checkbox"/> Statements for mutual funds	<input type="checkbox"/> Notes owed to you
<input type="checkbox"/> Statements for stocks and bonds	<input type="checkbox"/> Notes for any debts owed
<input type="checkbox"/> Statements for brokerage accounts	<input type="checkbox"/> Statements for all retirement plans
<input type="checkbox"/> IRA statements	<input type="checkbox"/> Annuity contracts
<input type="checkbox"/> Deferred compensation statements 888.327.5596	<input type="checkbox"/> Business agreements/statements
<input type="checkbox"/> Social Security benefit estimates 800.772.1213	<input type="checkbox"/> DRS annual statements Online account access at www.drs.wa.gov or 800.547.6657
<input type="checkbox"/> Other	<input type="checkbox"/> Other

10 Questions to Ask When Choosing a Financial Planner¹

You may be considering help from a financial planner for a number of reasons, whether it's deciding to buy a new home, planning for retirement or your children's education, or simply not having the time or expertise to get your finances in order. Whatever your needs, working with a financial planner can be a helpful step in securing your financial future.

You should interview and evaluate several financial planners to find the one that's right for you. You will want to select a competent, qualified professional with whom you feel comfortable, one whose business style suits your financial planning needs.

1. What experience do you have?

Find out how long the planner has been in practice and the number and types of companies with which she has been associated. Ask the planner to briefly describe her work experience and how it relates to her current practice. Choose a financial planner who has experience counseling individuals on their financial needs.

2. What are your qualifications?

The term financial planner is used by many financial professionals. Ask the planner what qualifies him to offer financial planning advice and whether he is recognized as a CERTIFIED FINANCIAL PLANNER™ professional or CFP® practitioner, a Certified Public Accountant-Personal Financial Specialist (CPA-PFS), or a Chartered Financial Consultant (ChFC). Look for a planner who has proven experience in financial planning topics such as insurance, tax planning, investments, estate planning or retirement planning. Determine what steps the planner takes to stay current with changes and developments in the financial planning field. If the planner holds a financial planning designation or certification, check on his background with CFP Board or other relevant professional organizations.

3. What services do you offer?

The services a financial planner offers depend on a number of factors including credentials, licenses and areas of expertise. Generally, financial planners cannot sell insurance or securities products such as mutual funds or stocks without the proper licenses, or give investment advice unless registered with state or federal authorities. Some planners offer financial planning advice on a range of topics but do not sell financial products. Others may provide advice only in specific areas such as estate planning or on tax matters.

4. What is your approach to financial planning?

Ask the financial planner about the type of clients and financial situations she typically likes to work with. Some planners prefer to develop one plan by bringing together all of your financial goals. Others provide advice on specific areas, as needed.

Make sure the planner's viewpoint on investing is not too cautious or overly aggressive for you. Some planners require you to have a certain net worth before offering services. Find out if the planner will carry out the financial recommendations developed for you or refer you to others who will do so.

5. Will you be the only person working with me?

The financial planner may work with you himself or have others in the office assist him. You may want to meet everyone who will be working with you. If the planner works with professionals outside his own practice (such as attorneys, insurance agents or tax specialists) to develop or carry out financial planning recommendations, get a list of their names to check on their backgrounds.

¹ Certified Financial Planner Board of Standards Inc., www.cfp.net

6. How will I pay for your services?

As part of your financial planning agreement, the financial planner should clearly tell you in writing how she will be paid for the services to be provided. Planners can be paid in several ways:

- » A salary paid by the company for which the planner works. The planner's employer receives payment from you or others, either in fees or commissions, in order to pay the planner's salary.
- » Fees based on an hourly rate, a flat rate, or on a percentage of your assets and/or income.
- » Commissions paid by a third party from the products sold to you to carry out the financial planning recommendations. Commissions are usually a percentage of the amount you invest in a product.
- » A combination of fees and commissions whereby fees are charged for the amount of work done to develop financial planning recommendations and commissions are received from any products sold. In addition, some planners may offset some portion of the fees you pay if they receive commissions for carrying out their recommendations.

7. How much do you typically charge?

While the amount you pay the planner will depend on your particular needs, the financial planner should be able to provide you with an estimate of possible costs based on the work to be performed. Such costs should include the planner's hourly rates or flat fees or the percentage he would receive as commission on products you may purchase as part of the financial planning recommendations.

8. Could anyone besides me benefit from your recommendations?

Some business relationships or partnerships that a planner has could affect her professional judgment while working with you, inhibiting the planner from acting in your best interest. Ask the planner to provide you with a description of her conflicts of interest in writing. For example, financial planners who sell insurance policies, securities or mutual funds have a business relationship with the companies that provide these financial products. The planner may also have relationships or partnerships that should be disclosed to you, such as business she receives for referring you to an insurance agent, accountant or attorney for implementation of planning suggestions.

9. Have you ever been publicly disciplined for any unlawful or unethical actions in your professional career?

Several government and professional regulatory organizations, such as the FINRA (formerly NASD), your state insurance and securities departments, and CFP Board keep records on the disciplinary history of financial planners and advisors. Ask what organizations the planner is regulated by and contact these groups to conduct a background check. All financial planners who have registered as investment advisors with the Securities and Exchange Commission or state securities agencies, or who are associated with a company that is registered as an investment advisor, must be able to provide you with a disclosure form called Form ADV Part II or the state equivalent of that form.

10. Can I have it in writing?

Ask the planner to provide you with a written agreement that details the services that will be provided. Keep this document in your files for future reference.

Estate – A letter to my survivors and heirs

You may use this letter template to tell your survivors about your wishes and the locations of your important papers. Remember to keep everything in a safe place.

Dear Loved Ones:

This letter and the attached records are an explanation and an expression of my wishes.

I prepared the attached Personal Affairs Record, to tell you the status and location of my personal belongings, assets and important papers. The record also includes a list of professional advisors to contact upon my death or disablement.

Included in the Personal Affairs Record is a list of some personal property items. The items marked with an asterisk are very important to me and it is my wish that these items not be sold. I hope they become a remembrance of my affection for you. In some cases, I also included brief historical notations to help you decide whether to keep or dispose of the items.

My will and/or other estate planning documents take care of the distribution of all my property.

I have/have not made funeral arrangements. These are with the _____ funeral home and are/are not paid for. If paid for, the location of the receipt is _____

I do/do not wish to have a funeral service. These are my instructions for the service: _____

I have/have not written a death announcement or obituary for you to use or add to if you wish. Its location is: _____

I do/do not wish to be buried, with my burial to be as follows: _____

I do/do not wish to be cremated, with my ashes to be disposed of as follows: _____

Other comments: _____

Signature _____

Date _____

Personal affairs record

Personal data:

Name (first, middle, last):

Social Security number:

Permanent or legal address:

City State ZIP Code County

Birth: City State County mm/dd/yyyy

Citizenship:

Naturalization (if applicable): Designation and location of court granting naturalization

Parents: Father (first, middle, last) Mother (first, middle, maiden, last)

Marriage: to whom (first, middle, last) Place and date (city, state, county mm/dd/yyyy)

Children (list full name, place and date of birth):

Personal lawyer or trusted friend who may be consulted regarding my personal or business affairs:

Full name Address

Location of family records:

Birth certificate or other proof of date and place of birth of myself and each member of immediate family (required by some insurance companies, Social Security and DRS):

Naturalization papers for myself, spouse, children, if not born in United States:

Marriage certificate (necessary to establish claims for certain payments and benefits and in connection with the will, also Veterans Administration and Social Security benefits):

Divorce papers (or certified copies) or death certificates:_____

Adoption papers (if applicable):_____

Location of military records (discharge papers, orders, etc):

Location of other documents:

Will:

_____ I have not executed a Will _____ I have executed a Will

Location: _____

Lawyer's name and address:_____

Executor's name and address: _____

Power of Attorney:

_____ I have not executed any Powers of Attorney

_____ I have executed a Power of Attorney for financial purposes (mm/dd/yyyy):

Naming (Agent or attorney in fact): _____

I have executed a Power of Attorney for health care decisions (mm/dd/yyyy): _____

Naming (Agent or attorney in fact): _____

Income tax:

Copies of federal income tax returns and related papers are located: _____

Copies of state income tax returns and related papers are located: _____

Other taxes:

Copies of my (property, local, other) _____ tax returns and related papers are located: _____

Location of last year's W-2 or self-employed tax forms: _____

Insurance:**My life is insured as follows:**

Type: _____ Commercial _____ Employer _____ Both

Insurance company	Policy number	Face amount	Payment option
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Policies are located at: _____

Property ownership or interest therein:

Real estate consisting of: _____

Is located at: _____

The property is encumbered by a _____

Mortgage, deed, trust, etc.

Held by: _____

Other entries regarding real estate in which I have an interest: _____

Automobile (make/model/year): _____

Automobile (make/model/year): _____

Automobile (make/model/year): _____

Automobile is insured with: _____
Name of insurance company

Insurance policy number: _____

Premiums paid to: _____
Premium payment schedule

Automobile papers are located at: _____

Personal property:

Locations of pertinent papers relating to other large or expensive items of personal property such as boats, machinery, livestock, goods in storage, jewelry, cameras, etc. Included are historical notations, where applicable, and asterisks are next to items that I hope my heirs will keep as a remembrance.

Bank accounts or certificates of deposit:

Type of account: _____ Location _____
Savings/checking/CD - Individual or joint

Type of account: _____ Location _____
Savings/checking/CD - Individual or joint

Safe deposit box:

Name of bank or trust company: _____

Address: _____

Location of safe deposit box key: _____

The contents of my safe deposit box are listed below, to be distributed according to the instructions found in my will.

Stocks, bonds, U.S. Savings Bonds and other securities:

Location: _____

Description: _____

Co-owners/Beneficiaries (specify): _____

List of Savings Bonds by denomination, serial number and location (necessary if lost bonds are to be replaced): _____

People to contact after my death:

Contact name	Contact information
Lawyer	
Financial advisor (accountant/bookkeeper)	
Insurance agent	
Investment advisor	
Physician	
Clergy	
Guardian of minor children	
Guardian of pets	
Personal representative or trustee of will	
Personal representative or trustee of spouse's will	
Department of Retirement Systems	PO Box 48380, Olympia, WA 98504-8380 360.664.7000 or 800.547.6657 <i>recep@drs.wa.gov</i>
Social Security	
Other	



CONTACT INFORMATION:

Department of Retirement Systems

PO Box 48380

Olympia, WA 98504-8380

360.664.7000

800.547.6657

www.drs.wa.gov